

EXHIBIT 37

1 *****CONFIDENTIAL DEPOSITION*****
2 IN THE UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK

4 Leighton Technologies, LLC,)
5 Plaintiff-Counterclaim)
6 Defendant,) Case No.
7 -vs-) 04Civ
8 Oberthur Card Systems, S.A.,) 2496 (CM)
9 Defendant-Counterclaim)
10 Plaintiff.)

11 - - - ooo - - -

12 Continued deposition of KEITH R.
13 LEIGHTON, a witness herein, called by the
14 Defendant- Counterclaim Plaintiff, as if
15 upon cross-examination under the statute,
16 and taken before Luanne Stone, a Notary
17 Public within and for the State of Ohio,
18 pursuant to the issuance of notice and
19 subpoena, and pursuant to the further
20 stipulations of counsel herein contained, on
21 Monday, the 10th day of October, 2005 at
22 9:00 o'clock A.M., at the Renaissance Hotel,
23 the City of Cleveland, the County of
24 Cuyahoga and the State of Ohio.

25 *****CONFIDENTIAL DEPOSITION*****

1 Q: "At the meeting, I revealed my idea
2 which impressed them enough to hire me as a
3 consultant."

4 A: Correct.

5 Q: What idea did you tell them at the
6 meeting?

7 A: I told them to scrap their idea that
8 they had. Everything that they were doing
9 was wrong. They were cutting holes in the
10 plastic and putting in the radio that had
11 been encapsulated by a gel and placed in
12 there to have a different thermal melting
13 point which was not at the same melting
14 point as their PVC that they were trying to
15 laminate, and I told them that I would be
16 using different -- entirely different
17 temperatures and plastics than they were
18 using. I would be changing the plastics,
19 and they liked the idea and concept that
20 they had a new way to attack this plan in
21 being able to come up with a smooth card.

22 Q: Was that the entirety of your idea
23 that you told them?

24 A: Yes.

25 Q: Were you more specific as to what

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EXHIBIT 38

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

- - - - -
LEIGHTON TECHNOLOGIES, LLC,)
) plaintiff,)
vs.) Case No.
) 04 Civ. 02496 (CM)
OBERTHUR CARD SYSTEMS, S.A.)
and OBERTHUR CARD SYSTEMS)
OF AMERICA CORP.,)
) defendants.)

- - - - -
(Volume III - pages 522 through 875)
- - - - -

Continued videotaped deposition of
KEITH LEIGHTON, a witness herein, called by the
defendants as if upon cross-examination, and
taken before David J. Collier, RPR, Notary
Public within and for the State of Ohio,
pursuant to Notice of Deposition and pursuant to
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contained, on Monday, the 23rd day of October,
2006 at 8:02 a.m., at the offices of Tackla &
Associates, 1020 Ohio Savings Plaza, City of
Cleveland, County of Cuyahoga and the State of
Ohio.

Tackla & Associates

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1 A That's correct.

2 Q Was the antenna and coil enclosed in a gel?

3 A No.

4 Q All right. What was the antenna and coil
5 placed on?

6 A We affixed it to the bottom sheet with a
7 glue stick.

8 Q To the bottom core sheet --

9 A That's correct.

10 Q -- that you labeled?

11 So were there any other changes made
12 to the structure of the card that you made for
13 Motorola?

14 A Actually, after making a pre-lam with no
15 cutouts we then laminated that first with two
16 sheets, being a pre-lam, cooled down, squared
17 the sheet up again, put their printed sheet on
18 top of it and over-laminate film and went back
19 into the laminator.

20 Q Okay. All right. Let me -- let me break
21 it down, make sure I understand, okay?

22 You've drawn in Exhibit A, the bottom
23 half, the layers of the card that Motorola had
24 when you first arrived. Do you see that?

25 A Right.

1 Q And you made some changes to those layers
2 in the card that you redesigned for them; is
3 that true?

4 A Right.

5 Q And one of the changes that you made was
6 you eliminated the holes or the recesses or the
7 cutouts that were in the core sheet with the
8 inlay; is that right?

9 A That's correct.

10 Q And you placed the electronic element
11 directly on the core sheet?

12 A That's correct.

13 Q Is that right? You got rid of the gel.

14 A Got rid of the gel, got rid of the holes.

15 Q Okay. Did you change the layers of the
16 card in any other way other than what you just
17 described?

18 A I made a two-piece pre-lam first and
19 laminated it.

20 Q Okay. And the two-piece pre-lam included
21 the core sheet with the electronic element glued
22 on top?

23 A That's correct.

24 Q And another core sheet on top of that?

25 A That's correct. Two core sheets.

1 Q All right. That was the pre-lam you made?

2 A That was the pre-lam.

3 Q And to make a final card you put --

4 A Went back into the laminator again with a
5 printed sheet on top of that along with a
6 over-laminate film. So we had four additional
7 sheets, two over-laminate film and one printed
8 core and one blank core.

9 Q Could you just draw that and label those
10 for us --

11 A Okay.

12 Q -- for a minute?

13 A I'm going to illustrate --

14 Q And if you could label --

15 A -- the bottom sheet.

16 Q Go ahead.

17 MR. DeFRANCO: We'll take a short
18 break while the witness is drawing that.

19 - - - - -

20 (Recess had.)

21 - - - - -

22 MR. DeFRANCO: If you would mark
23 this as Exhibit C, just put a sticker down
24 toward the bottom, because we're probably going
25 to draw some more on that.

(Defendant's Exhibit C
marked for identification.)

BY MR. DeFRANCO:

Q Mr. Leighton, what you've drawn as Exhibit C is the first card that you made for Motorola?

A That's an illustration of a buildup of a core sheet containing their dime size electronics or inlays affixed to a bottom core sheet and overlaid with a top core sheet, making a sandwich of two core sheets with inlays in between.

Q Okay. And this was a card structure that you came up with for Motorola; is that right?

A Yes.

Q You changed the structure that they had used for their cards prior to that time?

A Correct.

Q And in addition to what you've shown there, you've added four other layers?

A Yes, I used their preprinted core sheet and over-laminate film.

Q All right. So you had two preprinted core

1 sheets that you put on the outside of this and
2 then two over-laminate films?

3 A That's correct.

4 Q Could you just note that somehow on this,
5 just maybe put down here two additional printed
6 core sheets, two --

7 A Okay. I'll make another drawing on the
8 same sheet --

9 Q Sure. That would be great.

10 A -- illustrating. Okay. I'm just going to
11 make a flat drawing.

12 - - - - -

13 (Discussion had off the record.)

14 - - - - -

15 A I spelled sandwich wrong, but --

16 Q That's okay.

17 A -- that's an illustration.

18 Q Okay. All right. So just to summarize,
19 Exhibit C shows the changes that you made to the
20 inlay that Motorola had made before you arrived?

21 A I didn't change their inlay.

22 Q I'm sorry. You changed the way the inlay
23 was interfaced with the core sheet.

24 A That's correct.

25 Q Instead of placing the inlay in a hole or

EXHIBIT 39

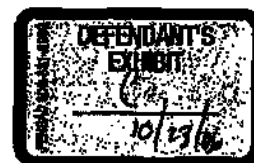
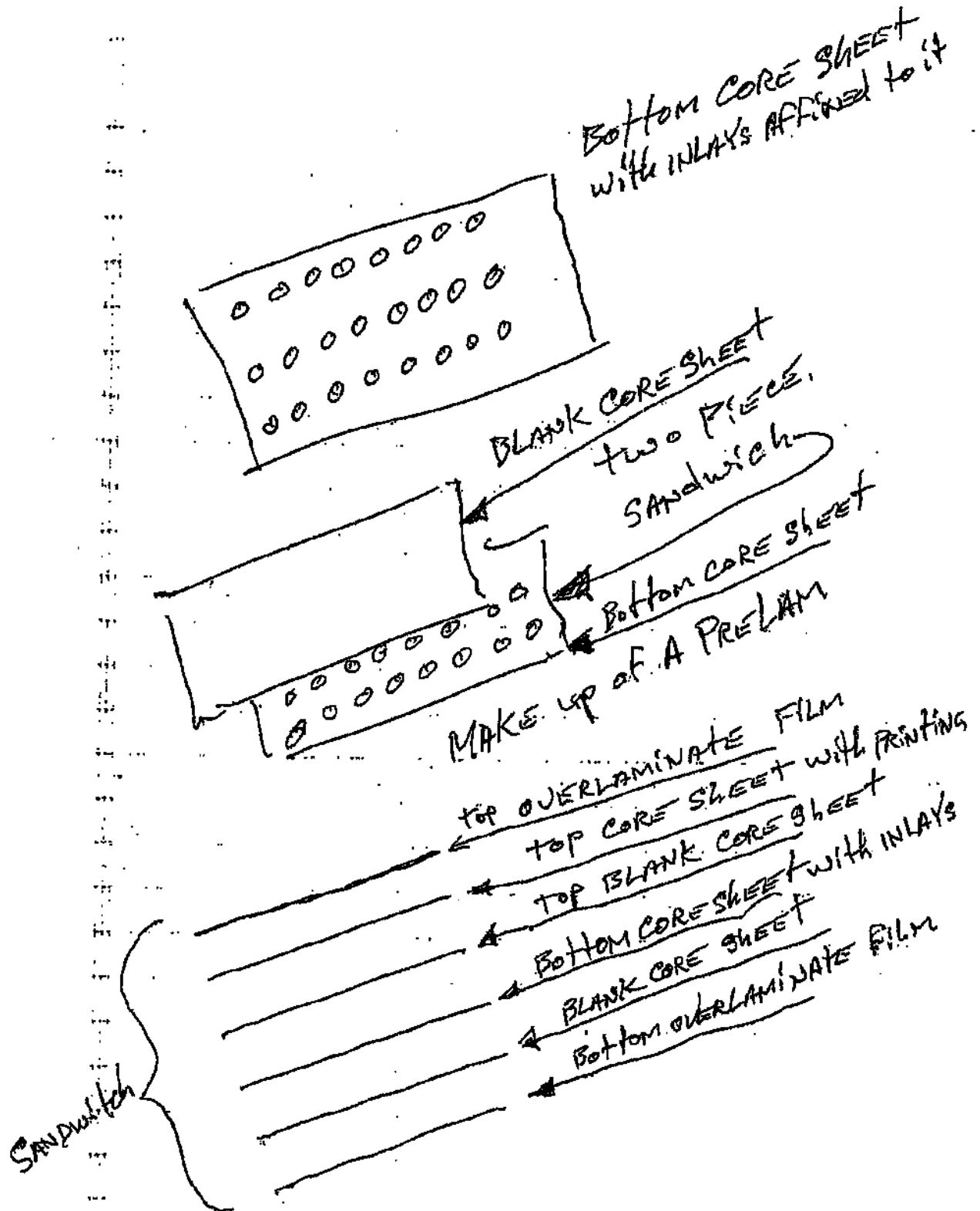


EXHIBIT 40

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES, LLC,)

plaintiff,)

vs.)

Case No.)

04 Civ. 02496 (CM)

OBERTHUR CARD SYSTEMS, S.A.)

and OBERTHUR CARD SYSTEMS)

OF AMERICA CORP.,)

defendants.)

(Volume III - pages 522 through 875)

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Tackla & Associates

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1 A So on your hot side -- we tried to maintain
2 the temperature of the laminator on the hot
3 side. As soon as you put a book into it, the
4 book starts to absorb the heat from the platen
5 and it turns the electronic heating elements
6 back on again, so you have a fluctuation in
7 temperature.

8 Q Okay.

9 A So as soon as it goes in, you try to do
10 your process as fast as possible.

11 Q It's like -- it's like baking cookies, it
12 sounds like, right? You're supposed to preheat
13 the oven, right?

14 A That's correct.

15 Q You open the door, you slide the tray in,
16 you close it, you lose some heat, it's got to
17 get back up to where it was supposed to be.

18 A It's got to get back up.

19 Q Okay. But the goal and the process used at
20 Motorola for the dime-sized electronics was to
21 have the press at the heating phase temperature
22 from the get-go?

23 A Correct.

24 Q And that might drop a little bit when the
25 pre-lams absorbed some of the heat.

1 A Right.

2 Q But not a huge amount.

3 A Right.

4 Q And then you'd get back up to temperature.

5 A Right.

6 Q And you maintained that temperature
7 throughout the heating phase?

8 A We tried to, yes.

9 Q Okay. So there was no intended increase or
10 decrease during the heating phase?

11 A No.

12 Q And is that true also for the silver dollar
13 sized --

14 A Correct.

15 Q -- electronic elements you made?

16 A Correct.

17 Q No temperature change during the heating
18 phase?

19 A Correct.

20 Q And then once the heating phase was over,
21 was the switch flipped and the temperature
22 turned off immediately or was there --

23 A No.

24 Q What happened?

25 A The hot side stays hot all the time.

1 Q Okay.

2 A We tried to maintain that.

3 Q So you take the sheets out.

4 A You transfer, another set of books goes in
5 the hot side and the set of books that you have
6 on the hot side goes to the cold side.

7 Q Okay. Let's finish --

8 A And then you close the laminator again, you
9 have a new set on the hot side and you have a
10 set on the cold side, and you try to close at
11 the same time.

12 Q Got it. Okay.

13 Let's -- all right. Let's go back to
14 the -- let's finish with the hot side, okay?

15 You're up to temperature.

16 A Correct.

17 Q 330 degrees or so, you're ready to go, and
18 when -- for the dime-sized cards that you
19 laminated for Motorola, was the pressure applied
20 immediately when the platens were closed?

21 A As soon as the cassette of cards comes into
22 the hot side and they're in place, then you shut
23 the laminator --

24 Q Okay.

25 A -- activating the heat cycle. It has to be

1 shut to activate the heat. Once open, it's not
2 heating. When you close it, it's heating.

3 Q Okay. And how long would it take for the
4 pre-lams, in general terms, to feel the heat
5 once the platens closed? Was it immediate?

6 A You close the platens and then you have a
7 heat soak time so that you can equalize the heat
8 through the entire book.

9 Q How long would it take for the -- for the
10 inlays to feel any heat?

11 A Oh, 10 to 15 minutes.

12 Q Before they felt any heat or before they --

13 A No, before they equalized.

14 Q Okay.

15 A It's a heat soak, so you got the --

16 Q All right.

17 A -- top of the book --

18 Q Right.

19 A -- the same temperature as the bottom of
20 the book.

21 Q Okay. So --

22 A All the way through.

23 Q So they would feel heat pretty quickly and
24 it would take 15 minutes for it to equalize?

25 A Correct.

1 Q And how long were they heated totally?

2 A Your total heat cycle, I would say, would
3 be about 20 to 25 minutes on the heat side.

4 Q Is that after the heat soak time was
5 equalized?

6 A Right.

7 Q So 15 minutes to equalize and then another
8 20 to 25 --

9 A Correct.

10 Q -- to finish the heat process?

11 A Correct.

12 Q And that's the same for the dime size as
13 the silver sized --

14 A Right.

15 Q -- electronic element?

16 A I'm going to have to take a break here at
17 this time.

18 Q Oh, please. Yeah. Absolutely.

19 - - - - -

20 (Recess had.)

21 - - - - -

22 BY MR. DeFRANCO:

23 Q All right. We were talking about the
24 heating phase in the process you used at
25 Motorola, the first process you used; do you

1 remember that?

2 A Yes. I was wondering, can he read back
3 through where we left off at?

4 Q Let me -- let me just pick up.

5 A I have to get my chain of thought here.

6 Q Yeah, let me just pick up with it, okay?

7 A Okay.

8 Q We were talking about the heat soak time,
9 do you remember that, some period of time --

10 A Right.

11 Q -- that it takes?

12 A Right.

13 Q And you said 15 minutes or so.

14 A Right.

15 Q Okay. And then there is an additional time
16 once the temperature is equalized across all the
17 inlays of the heating cycle; is that right?

18 A Right. That's correct.

19 Q Okay. Do -- do the inlays -- in the
20 process you used at Motorola, would the inlays
21 see heat pretty immediately or would it take
22 some amount of time before they would feel any
23 heat?

24 A Well, to -- for the heat to go through the
25 book entirely from top and bottom, we had to

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1 Q And what was the -- okay. And then what
2 was --

3 A This is just roughly.

4 Q I know. I know. Very roughly.

5 And then what was the initial pressure
6 compared to the maximum?

7 A I don't know what the initial pressure, but
8 there was enough pressure to close the
9 laminator.

10 Q Right. And it's the weight of all the
11 platens?

12 A The weight of all the platens and --

13 Q And some -- and some pressure, it can go up
14 at least to 1,000 pounds, we said, right, the
15 press?

16 A Correct.

17 Q Right?

18 A Right. On the pump pressure.

19 Q Okay. So what --

20 A It's 1,000 pounds.

21 Q How would you best approximate the range of
22 pressures that a square inch of the lamination
23 sandwich would see when the -- when the press
24 was first closed?

25 A I can't answer that.

1 Q Okay. If you had to give a range, like one
2 pound to 50 pounds? I mean, what's -- what's
3 the --

4 A Minimal, I'd try to hold it to 50 pounds
5 minimal --

6 Q And maximum?

7 A -- just to close it.

8 Q The maximum -- that's 50 pounds per square
9 inch?

10 A Yeah. You get -- to even hold you'd have
11 to bring it up that far.

12 Q "To even hold" meaning what?

13 A To even hold the pressure you'd have to
14 bring it up that far, otherwise it's going to
15 fluctuate in pressure.

16 Q Across the --

17 A Right.

18 Q -- sandwich?

19 A Across the sandwich. Because you're
20 melting the plastic, in the meantime it's going
21 to start to soften.

22 Q Okay. So you would see 50 pounds per
23 square inch from the start?

24 A Right.

25 Q And at -- and at some point when the heat

1 sync soak time was achieved you would increase
2 the pressure, but not more than 180?

3 A Correct. Try to maintain that in normal
4 lamination.

5 Q Okay. And the pressure was increased at
6 the end of the heat soak time to somewhere
7 between 50 pounds and 180 pounds per square
8 inch?

9 A Correct. Don't -- you know, this is going
10 to be hard for me to try to remember what I'm
11 telling you here right now before -- in a jury
12 trial.

13 Q Well, we're going to --

14 A I mean, we're going -- we're pulling
15 figures out and approximate figures and
16 guessing. I'm doing a guessing game here.

17 Q I understand that you're doing --

18 A And to try to guess it again a year from
19 now, that's going to be very difficult.

20 Q Well, let me -- let me put it to you this
21 way. We're going to show this to you again a
22 year from now, if necessary.

23 A Okay.

24 Q If for some reason your memory changes or
25 you believe that this is incorrect, you'll

1 certainly have the opportunity to change it.
2 All we can do here is get your best memory,
3 that's what --

4 A Um-hum.

5 Q -- I'm asking you to do. Is that fair?

6 A I've got my life into this, and I want to
7 be accurate, I want to be truthful above all
8 things.

9 Q Absolutely. And I want you to tell us as
10 much as you can today.

11 A I don't get in trouble telling the truth.

12 Q None of us do hopefully.

13 A And I'm not going to try to cover up.

14 Q Absolutely. Okay.

15 A I want you to understand that.

16 Q All right. I understand perfectly.

17 A Your questions I want clear to me so that I
18 can give them back clear to you.

19 Q Absolutely. I appreciate you doing the
20 best you can to give us your best memory today,
21 okay?

22 A Okay.

23 Q Because if you say I have absolutely no
24 idea today what the pressures were and then at
25 trial, of course, I'm going to ask you, you told

1 me a year ago you have no idea, now you remember
2 every detail; that's not going to seem
3 reasonable.

4 A No, that doesn't sync.

5 Q Okay. So let's go back to finishing up
6 with the -- with the pressures that were
7 applied, your best memory of the pressures that
8 you applied during the process at Motorola,
9 okay? We've covered the pressure generally
10 during the heating phase, right?

11 A Um-hum.

12 Q In this down time, the transfer, there's
13 zero pressure, right?

14 A That's correct, because it opens up --

15 Q Right.

16 A -- on the hot side, enabling the tray to be
17 pushed out into the cold side.

18 Q And there's zero temperature because
19 there's no heat, right?

20 A No, the heat stays on.

21 Q Okay.

22 A The heat stays on always. You preheat the
23 laminator, you're not preheating the books --

24 Q Okay.

25 A -- until you go through the soak time.

1 Q All right. Well, then you move to the cold
2 phase, right?

3 A Correct.

4 Q Then the heat is shut off.

5 A The heat stays on the hot side, the cold
6 side remains cold, and the temperature is
7 dropped by closing the cold side, extracting the
8 heat out of the book.

9 Q Okay. And what pressure generally would
10 you apply when you were -- had the success rate
11 of 15 out of 24 for Motorola in the cards with
12 the electronic element, how did the pressure in
13 the cold phase compare to the pressure in the
14 heating phase?

15 A I don't know what the pressure was on the
16 cold side. All I can say is I would estimate it
17 to be under the pressure of the hot side.

18 Q And what do you base that on?

19 A The size of the ram.

20 Q Did anybody work with you at Motorola to
21 figure out or to apply the pressures that were
22 being used in the Burkle laminator? Did you
23 have a technician or operator that would --

24 A They had an operator, his name was Kiet.
25 I'm not sure of his nationality. I think it was

EXHIBIT 42

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*****CONFIDENTIAL DEPOSITION*****

1 were giving him quick talks. I had just a
2 few minutes to write this agreement. He
3 wrote it out on this electronic board, and
4 they were about to put me on the airplane to
5 come back to Ohio.

6 Q: All right.

7 A: So, we had a quick agreement, quick
8 sketches, and signed an agreement within a
9 period of, oh, 20 minutes.

10 Q: The top line of handwriting says,
11 "increase cold side ram." What does that
12 mean?

13 A: We increased the cold side.

14 Q: What does that mean?

15 A: When they made a transfer, I -- I'm
16 not sure of the pressures that I had, but I
17 told him what I wanted to do.

18 Q: And you wanted a higher pressure on
19 the cold side? Is that correct? Is that
20 what you told him?

21 A: I wanted to increase the pressure,
22 yes.

23 Q: On the cold side? You wanted to
24 increase the pressure on the cold side; is
25 that what you told Mr. --

1 A: Yes.

2 Q: -- Thompson?

3 A: Because they had this single pump
4 doing both, and I let them know that you
5 must increase the pressure on the cold side,
6 which is standard in all plastic card
7 manufacturing.

8 Q: Okay. Then, the second line is,
9 "mold longer." What does that mean?

10 A: "Hold longer."

11 Q: Oh, thank you. What does it mean?
12 Help me. "Hold longer," what does that
13 mean, please?

14 A: You had to chill this thing down to
15 bring it down to the temperatures, and they
16 come down to room temperatures, because when
17 you're in a hot cycle, you have to cool this
18 down, so you have to hold it there in order
19 to release the pressures of the book;
20 otherwise, if you don't, you get sheets
21 (motioning). So, you had to hold.

22 Q: Okay.

23 A: We don't have any time cycles. We do
24 not have any temperature cycles in this, but
25 we did -- I did a quick explanation out

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1 Q Do you believe you did?

2 A No.

3 Q How close do you think you came?

4 A I come -- oh, if I had a card that looked
5 good, the failure rate was very bad, I was
6 crushing chips and breaking chips.

7 Q So if you -- if you got good results, then
8 you thought that you had increased the pressure
9 on the cooling side sufficiently so that you
10 weren't damaging chips as much?

11 A If I was damaging chips, it showed on the
12 stainless steel laminating plates, because it
13 embossed them.

14 Q Right, but that's not exactly what I asked.

15 I'm trying to figure out how much
16 pressure you put on the cooling side when you
17 were working at Motorola. Are you with me?

18 A Yes, but I don't know what it was.

19 Q Right. That's -- that's what I'm trying to
20 explore.

21 A Um-hum.

22 Q You said that based on the equipment, it
23 was not -- it was not possible for you to tell
24 exactly what the pressures were.

25 A That's correct.

1 Q Right? But you knew you wanted to increase
2 the pressure on the cooling side from what had
3 existed in the Motorola Burkle laminator at the
4 time; is that right?

5 A That's what I was trying to do --

6 Q Okay.

7 A -- because that's what I had foreknowledge
8 of before I even started.

9 Q And although you couldn't measure it, you
10 knew that you increased the pressure
11 sufficiently in the cooling phase when you made
12 cards in which the electronic element was not
13 crushed; is that fair?

14 A Repeat that one.

15 Q In other words, whatever pressure you were
16 able to achieve in the cooling phase, even
17 though you couldn't measure it, you knew it was
18 sufficient when the chips weren't crushed?

19 MR. GUTKIN: Object to form.

20 A I'm not fully understanding what you're
21 saying here.

22 Q Think about it.

23 A In the lamination process that I had at
24 Motorola --

25 Q There was no gauge on the machine for you

EXHIBIT 44

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2006 at 8:02 a.m., at the offices of Tackla &
Associates, 1020 Ohio Savings Plaza, City of
Cleveland, County of Cuyahoga and the State of
Ohio.

Tackla & Associates

ded677f6-daef-4705-a501-e03c1d19420

1 Q All right. Well, then you move to the cold
2 phase, right?

3 A Correct.

4 Q Then the heat is shut off.

5 A The heat stays on the hot side, the cold
6 side remains cold, and the temperature is
7 dropped by closing the cold side, extracting the
8 heat out of the book.

9 Q Okay. And what pressure generally would
10 you apply when you were -- had the success rate
11 of 15 out of 24 for Motorola in the cards with
12 the electronic element, how did the pressure in
13 the cold phase compare to the pressure in the
14 heating phase?

15 A I don't know what the pressure was on the
16 cold side. All I can say is I would estimate it
17 to be under the pressure of the hot side.

18 Q And what do you base that on?

19 A The size of the ram.

20 Q Did anybody work with you at Motorola to
21 figure out or to apply the pressures that were
22 being used in the Burkle laminator? Did you
23 have a technician or operator that would --

24 A They had an operator, his name was Kiet.
25 I'm not sure of his nationality. I think it was

EXHIBIT 45

Kiet, Keith, J-m

4/9/95
 ⇒ Use Smaller Size for U-soft
 ⇒ Plates 1/2" Larger than Sheet all around
 ⇒ Most Over Lams are Tin Based

2 mil over laminate

- 1). J-m → Order 1000 sheets Sumitomo from Silcox (1.45 / 16 10 sheets / 16 1000 sheets)
- 2). Keith has samples of coated and non-coated coming in 4/6
- 3). J-m → Order 1000 Sheets of whatever Other over lams Silcox has

7 mil printed

12.625 X 21.25

- PJT U-soft logo
- 1). J-m → Order 24-up U-soft art plus Louisa marks, 200 Sheets
 * Reverse Print coil locations
 - 2). Keith → Sent 200 Sheets to be printed @ caulastics
 - 3). Kiet → Order 2200 7 mil Arlington Mills plastic, Tin Based
 - 4). Don't worry about inks for now
 - 5). Kiet → Give PVC data Sheets to J-m
- 20 mil
 12.625 X 21.25

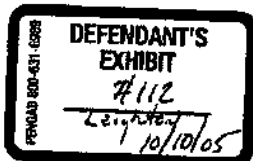
- 7). Kiet → Order 1000 Sheets Arlington mills

Polishing Plates ⇒ 1/2" Larger than Sheet size

- 1). Keith → Order 280 mirror & 280 matte Plates, Stainless Steel

Press pads ⇒ 1/2" Larger than Sheets 1672

- 2). Keith → order 42 press pads



Trial Counsel's Eyes Only

L06585

Steel Trays (plates) \Rightarrow $\frac{1}{2}$ " Länger 160. sheets

2). Kiet \Rightarrow order 42 plates from Rogers Source

CASSETTES \Rightarrow Takes 16 cassettes to keep operating
 \Rightarrow We have 4 cassettes in house
 \Rightarrow We have 2 " in process

1). Kiet \Rightarrow Take 2 cassettes to RMD tomorrow to enlarge. When back, will take next two.

2). Ken T. \Rightarrow Order more cassettes.

3). Keith / Kiet \Rightarrow Draw up a print of cassettes.

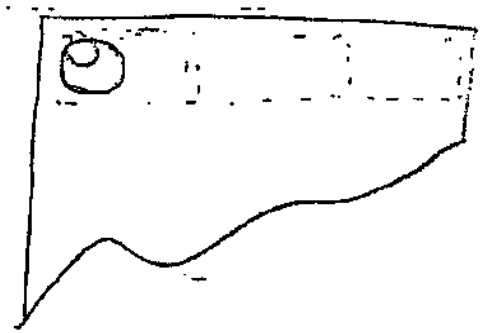
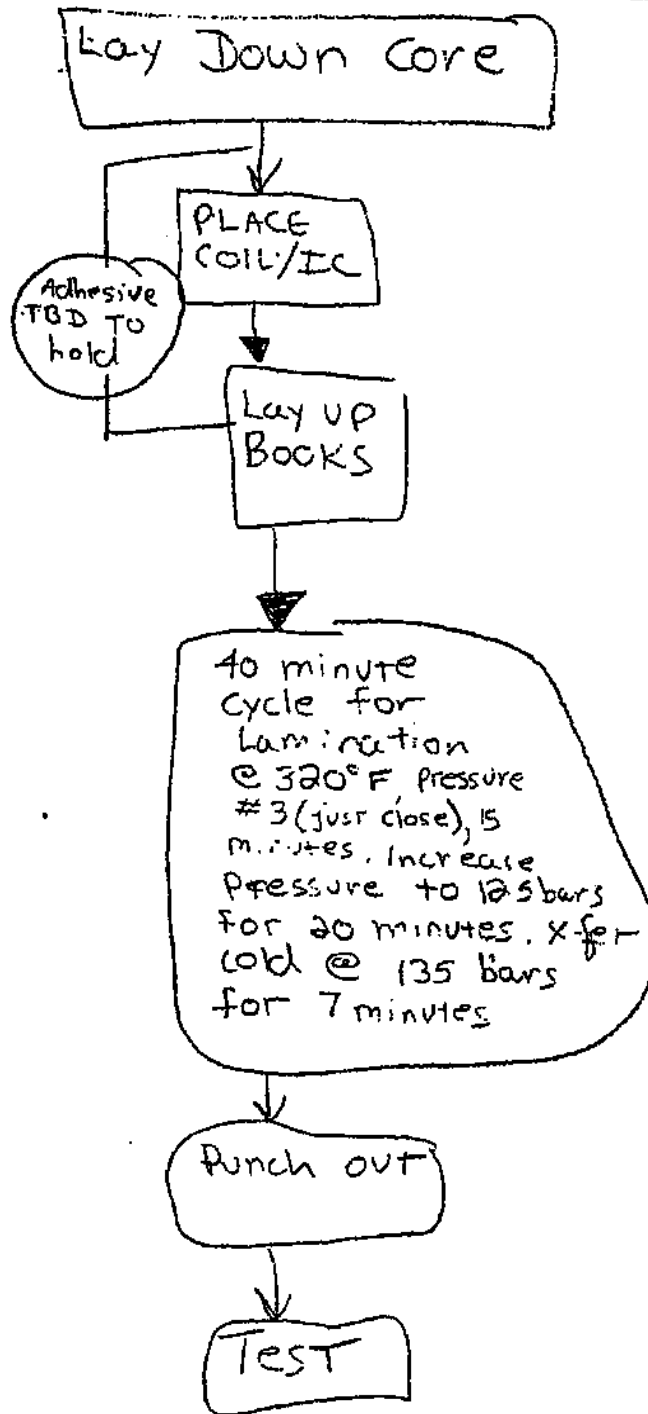
Documentation \Rightarrow Keith out next week!

1). Keith \Rightarrow Create process/development Docs for Kiet to use next week.

Resources

111) J-m \Rightarrow Talk to Jorge about person?

Laminating Process



* make some clear cards

* Try Glue Stick

*

EXHIBIT 46

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES, LLC,) Case No.
Plaintiff and) 04 Civ. 02496
Counterclaim Defendant,)
v.)
OBERTHUR CARD SYSTEMS, S.A., AND)
OBERTHUR CARD SYSTEMS OF)
AMERICA CORPORATION,)
Defendants and)
Counterclaim Plaintiffs)

CONFIDENTIAL

DEPOSITION OF JEAN-MARC DELBECQ

WEDNESDAY, MARCH 22, 2006

PAGES 151 - 308; VOLUME 2

BY: CHRISTINE L. JORDAN, CSR NO. 12262

1 exhibit a three-page document bearing Bates Nos. L06585
2 through 6587.

3 THE REPORTER: This will be 2020.

4 (Defendants' Exhibit No. 2020 was marked for
5 identification.)

6 BY MR. J. JACOBS:

7 Q. Do you recognize this document, sir?

8 A. I do not recognize this document. I
9 recognize the sort of organization of the document.

10 Q. And what do you mean by that?

11 A. These are my notes.

12 Q. This is your handwriting?

13 A. Yes.

14 Q. But you don't recall handwriting it?

15 A. No.

16 Q. All right. Well, let's spend a little bit of
17 time with it, then, since you're the author. Maybe you
18 can help us understand what it means.

19 Have you had time to review it?

20 (The witness reviews the document.)

21 THE WITNESS: Hold on just a second.

22 (The witness reviews the document.)

23 THE WITNESS: Okay.

24 BY MR. J. JACOBS:

25 Q. Having reviewed it, does it refresh your

1 recollection as to having seen this document?

2 A. Literally, I mean, I don't remember seeing
3 this document.

4 Q. Okay.

5 A. But the other documents I looked at also --
6 you know, I mean that -- clearly it's my handwriting.

7 I understand what this document is about.

8 Q. Would you tell us what this document is
9 about.

10 A. So this document dated April 4th, 1995 is a
11 document that describes some things that need to happen
12 in order to go to a next step of lamination.

13 So maybe it -- from the -- from the top of
14 the document, it's a -- it's an action list. "Use
15 smaller size for Microsoft." That's a knew -- I don't
16 know what smaller size is. It was a meeting myself,
17 Kiet and Keith.

18 "Plates should be one-half inch larger than
19 the sheet all around."

20 Q. What kind of plates are those?

21 A. Those are probably the plates that give the
22 finish. They're press plates. They give the finish to
23 the PVC during lamination.

24 So, "2 mil overlamine film," there's a --
25 "Jean-Marc is going to order 1,000 sheets of Sumitomo

EXHIBIT 47

1 *****CONFIDENTIAL DEPOSITION*****
2 IN THE UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK
4 Leighton Technologies, LLC,)
5 Plaintiff-Counterclaim)
6 Defendant,) Case No.
7 -vs-) 04Civ
8 Oberthur Card Systems, S.A.,) 2496 (CM)
9 Defendant-Counterclaim)
10 Plaintiff.)

11 - - - oOo - - -
12 Continued deposition of KEITH R.
13 LEIGHTON, a witness herein, called by the
14 Defendant- Counterclaim Plaintiff, as if
15 upon cross-examination under the statute,
16 and taken before Luanne Stone, a Notary
17 Public within and for the State of Ohio,
18 pursuant to the issuance of notice and
19 subpoena, and pursuant to the further
20 stipulations of counsel herein contained, on
21 Monday, the 10th day of October, 2005 at
22 9:00 o'clock A.M., at the Renaissance Hotel,
23 the City of Cleveland, the County of
24 Cuyahoga and the State of Ohio.
25 *****CONFIDENTIAL DEPOSITION*****

1 Q: All right. The point five says,
2 "Xiet, give PVC data sheets to JM." Do you
3 have any understanding of what that means?

4 A: Yes. All materials coming into the
5 plant require an MSDS sheet. That's called
6 a data sheet, and they have to record all
7 materials that come into the plant. All
8 manufacturing facilities by OSHA
9 requirements have to identify the products
10 that come into the plant.

11 Q: That data sheet would not contain --
12 did that -- strike that.

13 Did that data sheet -- do those data
14 sheets contain recommended laminating
15 temperatures?

16 A: No. It tells of the chemicals that
17 are used in the products.

18 Q: Let's look at the last page. Do you
19 see what I would call a flow -- flow -- flow
20 diagram on the last page? That's page
21 L 06587.

22 A: Yes.

23 Q: Do you recognize that chart, the flow
24 chart?

25 A: Yes, yes.

TACKLA & ASSOCIATES

1 Q: Is that in your handwriting?

2 A: No.

3 Q: When was the first time you saw this
4 chart?

5 A: This must have been while I was out
6 there working there, trying to come up with
7 a formula for their own purpose.

8 Q: You think this chart has a date other
9 than April 4, 1995?

10 A: No.

11 Q: You think the chart was created on
12 April --

13 A: Yes, yes, correct.

14 Q: Were you present when the chart was
15 created, the flow chart?

16 A: What's that? Yes, it's possible
17 somebody else drew up this flow chart from
18 the information that I give to them from the
19 deliverables that they were still working
20 on. It mentions the name of Arlington Mills
21 on this chart --

22 Q: Uh-huh.

23 A: -- which was now changed the name to
24 Empire Plastics. They changed the name of
25 the plastics manufacturer from Arlington

TACKLA & ASSOCIATES

EXHIBIT 48

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES, LLC,)	Case No.
Plaintiff and)	04 Civ. 02496
Counterclaim Defendant,)	
v.)	
OBERTHUR CARD SYSTEMS, S.A., AND)	
OBERTHUR CARD SYSTEMS OF)	
AMERICA CORPORATION,)	
Defendants and)	
Counterclaim Plaintiffs)	

CONFIDENTIAL

DEPOSITION OF JEAN-MARC DELBECQ

WEDNESDAY, MARCH 22, 2006

PAGES 151 - 308; VOLUME 2

BY: CHRISTINE L. JORDAN, CSR NO. 12262

1 those documents or that process and that's what's here.

2 Q. And could you explain what the process is?

3 A. Lay down the core, place the coil, slash, IC
4 onto the core, some adhesive to be determined to hold
5 it in place.

6 Q. To hold the coil in place?

7 A. Yes. So that -- so you -- yeah, so that it
8 wouldn't shift locations when you moved it from the
9 assembly area to the lamination platens.

10 "Lay up books." So a book is -- a book is
11 the assemblage of all of the laminating parts. So it's
12 the core sheets, the stuff in the cores, the outer
13 layers. All of that is one book. And then you put
14 your steel plate on top of that, your polishing plate,
15 and then you assemble the next book.

16 And I -- I don't recall, but there were some
17 number of books high you could go per cassette per
18 opening in the Burkle press. So that's what lay up
19 books means.

20 Then it says "40-minute cycle," so 40 minutes
21 end to end for lamination, "at 32 degrees Farenheit.
22 Pressure No. 3 just" --

23 Q. Is that 3200 -- 32 degrees or --

24 A. 320 degrees Farenheit.

25 "Pressure No. 3 just closed."

1 Q. What does that mean?

2 A. That's a small pressure. That's just enough
3 to hold the parts in place for 15 minutes.

4 "Increase the pressure to 125 bars for 20
5 minutes, then transfer to the cold side."

6 So it was -- I think it was four openings.
7 So after your hot cycle, you'd open the platens. This
8 is the stack, I guess they called it. And you would
9 mechanically transfer the cassettes. The main purpose
10 of the cassettes was the transfer mechanism into the
11 cold side. And then you'd close it.

12 So we'd go from 125 bars of pressure for 20
13 minutes at 320 degrees; then we'd obviously open it.
14 That's not stated here.

15 "Transfer to the cold side, increase the
16 pressure to 135 bars for seven minutes." Now, this
17 is -- this is -- there's probably a few steps not
18 stated here about removing them from the platen, et
19 cetera. But then to punch out the cards using the
20 Louda press and test them.

21 There's a sketch in the upper right-hand
22 corner that shows one column of the 3 by 8 matrix.
23 It's to communicate where I wanted the IC to be. I
24 wanted the IC to be at the 2:00 o'clock position.

25 There was a note, "Make some clear cards."

EXHIBIT 49

1 *****CONFIDENTIAL DEPOSITION*****

2 IN THE UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK

4 Leighton Technologies, LLC,)

5 Plaintiff-Counterclaim)

6 Defendant,) Case No.

7 -vs-) 04CIV

8 Oberthur Card Systems, S.A.,) 2496 (CM)

9 Defendant-Counterclaim)

10 Plaintiff.)

11 - - - 000 - - -

12 Continued deposition of KEITH R.

13 BRIGHTON, a witness herein, called by the

14 Defendant-Counterclaim Plaintiff, as if

15 upon cross-examination under the statute,

16 and taken before Luanne Stone, a Notary

17 Public within and for the State of Ohio,

18 pursuant to the issuance of notice and

19 subpoena, and pursuant to the further

20 stipulations of counsel herein contained, on

21 Monday, the 10th day of October, 2005 at

22 9:00 o'clock A.M., at the Renaissance Hotel,

23 the City of Cleveland, the County of

24 Cuyahoga and the State of Ohio.

25 *****CONFIDENTIAL DEPOSITION*****

TACKLA & ASSOCIATES

1 says "Place coils/IC." That's in the second
 2 box down, correct?
 3 A: Yes.
 4 Q: And, then, the next step is in a box
 5 called "Lay-up books." What does that mean?
 6 A: They were placing the electronics on
 7 a plastic core sheet. They were building up
 8 layers of these, preparing them to be built
 9 up into books, is what I'm reading here.
 10 Q: The next step is, "40-minute cycle
 11 for lamination at 300 degrees Fahrenheit.
 12 Pressure number three (just close), 15
 13 minutes."
 14 A: That's correct.
 15 Q: What is your understanding of that
 16 phrases?
 17 A: They were closing the openings of a
 18 laminator to put under compression to
 19 activate the temperatures, and they settled
 20 in for a period of time of 15 minutes.
 21 Q: -- So --
 22 A: And then they increased the pressure
 23 to 125 bars for 20 minutes. That is what
 24 they call the ram pressure, the bar
 25 pressure. They're calling the ram a bar in

TACKLA & ASSOCIATES

1 this illustration, for 20 minutes. "Xfer
2 cold." I'm not sure what that stands for,
3 at 135 bars for seven minutes.
4 Q: Okay.
5 A: I'm not understanding the language
6 they have there.
7 Q: May I suggest that "xfer" means
8 transfer?
9 A: Possible, yes, transfer to cold.
10 That would be a good illustration.
11 Q: All right. So, let me understand
12 if I've got this correct. What happens
13 here -- what this box that we've just been
14 discussing is describing is the lamination
15 of -- what we've been terming the lamination
16 cycles?
17 A: Correct.
18 Q: And in this lamination cycle, what
19 they do is they heat the hot platens, the
20 heating -- in the heating press up to 320
21 degrees.
22 A: Correct.
23 Q: Then they close the press upon the
24 books.
25 A: Correct.

EXHIBIT 50

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES, :
:
Plaintiffs, :
:
vs. : No. 04-CV-02496
:
:
OBERTHUR CARD SYSTEMS, S.A., :
OBERTHUR CARD SYSTEMS OF :
AMERICA CORPORATION, :
:
Defendants. :

--oOo--

VIDEOTAPE DEPOSITION OF
KEN THOMPSON
VOLUME I

May 4, 2006

REPORTED BY: KENNETH T. BRILL, RPR, CSR 12797

ELLEN GRAUER COURT REPORTING CO. LLC
126 East 56th Street, Fifth Floor
New York, New York 10022
212-750-6434
REF: 80728

1 THOMPSON

2 At about the time Mr. Leighton came to --

3 A. Yeah.

4 Q. -- Indala -- let me ask the question --
5 were you running the cold side of the Bnrkle press
6 at full -- full pressure?

7 A. We were squeezing just about every ounce
8 of pressure we could out of the cold side, because
9 we knew that in very short fashion, we're actually
10 going to be increasing the ram size on the cold
11 side.

12 We know we needed the extra higher
13 pressure on the cold side to get a higher pressure
14 on cold than hot lamination, which is what we've
15 been told by industry people is somewhat of an
16 accepted thing we have to do. In fact, Mr. Leighton
17 also agreed with that, that we had to have higher
18 pressure, much higher pressure on the cold side as
19 well.

20 Q. All right.

21 A. I will say that in Exhibit 2,673, on the
22 third page, L06587, that this laminating process,
23 when I look at it, does not describe the process
24 that we were using. This describes to me either one
25 of -- one or two things. It describes a single step

1 THOMPSON

2 process for laminating and making a card, because
3 there is no core lamination, and then final
4 lamination. Or it refers to, hey, let's punch --
5 let's make a core and then punch it out and test
6 prior to going to the final lamination.

7 Q. Right.

8 A. So that's -- this seems to be maybe an
9 experiment variation that either Mr. Leighton wanted
10 to try, and Jean-Marc Delbecq captured it, or
11 Jean-Marc Delbecq, Kiet and Mr. Leighton said, hey,
12 let's try this. So it's certainly not a -- a viable
13 card -- finish card process.

14 Q. What you're talking about now is that this
15 is a one-step process -- strike that.

16 A. Are you now talking about this being a one
17 stop process versus the two -- the two lamination
18 process that you drew before for us on exhibit -- I
19 don't have the exhibit in front of me. Can you help
20 us with that, help me with that?

21 A. 2,664. Yes, it appears to be either a
22 one-step process for -- for making a card, or
23 describing making a core lamination sheet, which is
24 then punched out and electrically tested.

25 Q. Do you have any reason to believe that the

1 THOMPSON

2 cycle parameters set forth are not those that were
3 being used to make a core?

4 A. No. They were not. It doesn't -- it
5 doesn't look to be, from my knowledge, of what has
6 worked in their lamination with this machine. Those
7 are not parameters that would -- that would work, or
8 would be -- have shown to work.

9 I believe that this was someone's -- an
10 experimentation cycle. Someone says, I think
11 something like this will work, let's try this.
12 Okay. Let's document what it is. And it could be a
13 documentation of what Kiet was supposed to the week
14 when Mr. Leighton was out.

15 Q. What about the cycle here do you think
16 makes it inoperative?

17 A. The cycle or parameters in lamination?

18 Q. Yeah, the lamination parameters, the cycle
19 parameters.

20 A. The pressure on the cold side is too low,
21 so it's only ten bars higher than the hot side,
22 that's too low. The temperature is 320 F, which is
23 approximately 145 C, 150 C, I think that's too hot.
24 Pressure number three, just close, I don't
25 understand that.

EXHIBIT 51

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES, LLC,)	Case No.
Plaintiff and)	04 Civ. 02496
Counterclaim Defendant,)	
v.)	
OBERTHUR CARD SYSTEMS, S.A., AND)	
OBERTHUR CARD SYSTEMS OF)	
AMERICA CORPORATION,)	
Defendants and)	
Counterclaim Plaintiffs)	

CONFIDENTIAL

DEPOSITION OF JEAN-MARC DELBECQ

WEDNESDAY, MARCH 22, 2006

PAGES 151 - 308; VOLUME 2

BY: CHRISTINE L. JORDAN, CSR NO. 12262

1 "ANSWER: Yes.

2 "At what point in the heating did you
3 increase the pressure?

4 "ANSWER: I don't know how we knew. We --
5 I think from experimentation, probably,
6 but when the plastic was soft.

7 "QUESTION: When the plastic was soft, you
8 did what, sir?

9 "ANSWER: We would increase the pressure.

10 "QUESTION: And how much would you
11 increase the pressure? Functionally, I
12 mean. Can you describe functionally how
13 much you put --

14 "ANSWER: A lot."

15 BY MR. J. JACOBS:

16 Q. Do you recall testifying to that?

17 A. Okay. Yes, I do.

18 Q. Okay.

19 With regard to the AVC 132, would the
20 description I just read regarding the pressures during
21 the heating cycle apply equally to the AVC 132?

22 A. That's a good question.

23 It would still be true that there would be
24 less pressure at the beginning of the lamination cycle
25 for an AVC 132. It is still true that we would raise

1 the pressure. We would desire a higher pressure after
2 the plastic was softened. The method of increasing the
3 pressure before cooling or during cooling was somewhat
4 dependent on which lamination press we were using.

5 In our lab it was possible to increase the
6 pressure before cooling. There's a single platen. In
7 our production machine, I'm not sure that it was
8 possible. It may have been possible, but also we had
9 to transfer from the hot side to the cold side for the
10 production machine.

11 So I think I would answer your question this
12 way, that would have been a process that we would have
13 used for the lab press. I'm fairly sure of that. The
14 process for the Burkle press would have been different
15 because of the constraints of the Burkle press.

16 Q. What was the constraint of the Burkle press
17 that required it to be different?

18 A. You had to transfer the loads -- I'll call
19 them loads -- but you had to transfer the items being
20 laminated from opening to -- from one side of a press
21 to the other side of a press. In the lab press, you
22 didn't have to do that.

23 Q. Did the Burkle press have the possibility of
24 having more than one pressure on in the heating cycle?

25 A. I think that it did.

1 A. They can -- they -- when plastic is soft, the
2 plastic can form itself, can -- it -- it's a -- it's
3 moveable and it can flow around the components of the
4 electronics.

5 Q. Do you recall testifying in sum and substance
6 that prior to January of 1995, the design of the
7 AVC 132 as shown in what has now been marked as
8 Exhibit 2017 A and B was made ... period -- question
9 mark?

10 MR. B. JACOBS: Objection, mischaracterizes
11 testimony.

12 MR. J. JACOBS: Okay.

13 BY MR. J. JACOBS:

14 Q. You can answer it.

15 A. Could you repeat the question?

16 Q. I'd be happy to.

17 Do you recall testifying in sum and substance
18 that prior to January 1995, the design in the AVC 132
19 as shown in what has now been marked as Exhibit 217 A
20 and B (sic) was made?

21 MR. B. JACOBS: Same objection.

22 THE WITNESS: I -- I did say that, and I did
23 say that there might have been some characteristics of
24 the AVC 132 manufacturing process that hadn't been
25 completely figured out by January of 2000 -- 1995.

1 Specif- -- not the construction of the
2 contents of the card but the -- the how big of a sheet
3 to use, the markings that might have been there to
4 register the various pieces to the next sequence of the
5 manufacturing process.

6 Sorry.

7 But I think the -- the electronics, the
8 antenna, the basic lamination process were well defined
9 prior to January of 1995.

10 BY MR. J. JACOBS:

11 Q. Were there any changes made to the design or
12 the process to make the AVC 132 during the period from
13 January 1995 through the beginning of May 1995?
14 Essentially, the period where Mr. Leighton was at
15 Motorola.

16 A. I think that there -- so the question was,
17 Were there any changes to the processes?

18 Q. Or the structure.

19 A. Or the structure.

20 Or materials? Would you include material?

21 Q. If you want to include that, sure, I have no
22 problem with that.

23 A. During the time that Keith Leighton was
24 there, there were -- there was some experimentation
25 done and there were a variety of process variations

1 explored. I think I might have testified before that
2 there were cassettes which were carriers of the
3 lamination assemblies and there were press plates and
4 there were pads and there were different materials,
5 different vendors of PVC that were being experimented
6 with at that time. The basic design, the basic design,
7 the intent of the design, didn't fundamentally change.

8 Okay.

9 Q. Okay?

10 A. Yeah.

11 Q. At the close of the last deposition, we were
12 looking at the last exhibit in there and we had gotten
13 through -- well, before we do that, let's -- before we
14 look at the last exhibit, let's look at --

15 May I have the exhibit book, please,
16 Mr. Delbecq.

17 (Counsel reviewing exhibit book.)

18 MR. J. JACOBS: Oh, this is the wrong exhibit
19 book.

20 (Counsel reviewing exhibit book.)

21 BY MR. J. JACOBS:

22 Q. Mr. Delbecq, I'm going to hand you the
23 exhibit book from the last session, and I direct your
24 attention to the second page of Exhibit 2011.

25 (The witness reviews the document.)

EXHIBIT 52

80728 5/18/2006

Page 1

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

LEIGHTON TECHNOLOGIES,

Plaintiffs,

vs.

No. 04-CV-02496

OBERTHUR CARD SYSTEMS, S.A.,

OBERTHUR CARD SYSTEMS OF

AMERICA CORPORATION,

Defendants.

--oOo--

VIDEOTAPE DEPOSITION OF
KEN THOMPSON
VOLUME I

May 4, 2006

REPORTED BY: KENNETH T. BRILL, RPR, CSR 12797

ELLEN GRAUER COURT REPORTING CO. LLC

126 East 56th Street, Fifth Floor

New York, New York 10022

212-750-6434

REF: 80728

80728 5/18/2006

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1 THOMPSON

2 A. Sure.

3 - - -

4 (Whereupon the document was marked,
5 for identification purposes, as Exhibit
6 Number Two Thousand Six Hundred
7 Sixty-Four and Two Thousand Six Hundred
8 Sixty-Four A.)

9 - - -

10 BY MR. J. D. JACOBS:

11 Q. Mr. Thompson, would you also hand them to
12 me for a second, so I may also look at them.

13 Let me hand exhibit -- what's now been
14 marked 2,664 and Exhibit 2,664-A back to you,
15 Mr. Thompson, and ask you to describe for the record
16 what you have drawn.

17 A. What I have drawn is the components in the
18 construction pictorial of how the prototype cards
19 were made on our PHI press, and the first sequence
20 in the drawing is the electronic load, RFID, which
21 is a coil and a module, along with two PVC sheets,
22 one on top, one on bottom. And we called this the
23 core, the components which went into the core
24 assembly, or the core sheets.

25 Q. Mr. -- as we go along, I might interrupt

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Page 30

1 THOMPSON

2 you, if it's -- with your permission, Mr. Thompson,
3 so we don't have to go back over the whole thing.
4 And I think it will be more logical to do it step by
5 step.

6 Let me know when you've finished what
7 you've labeled step one.

8 A. I've finished.

9 Q. In step one, you described two PVC sheets
10 and a coil and a module; is that correct?

11 A. That's correct.

12 Q. Would you label the coil and the module
13 separately.

14 A. (Witness complied with request).

15 Okay.

16 Q. Was there any substance, material,
17 anything between the coil and either of the PVC
18 sheets?

19 A. To my recollection, no.

20 Q. Was there anything between the module and
21 either of the PVC sheets?

22 A. No.

23 Q. Would it be fair to say that when in the
24 press, but not yet laminated, the PVC sheets touched
25 the coil and touched the module?

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2 A. Yes, I think that would be -- that would
3 be correct.

4 Q. Can you now describe what you've labeled
5 as step two?

6 A. So step two is the lamination of the PVC
7 sheets together such that it surrounds and entombs
8 the coil and the module.

9 Q. And how is step two, the lamination,
10 carried out?

11 A. Heat with very little -- typically is heat
12 with very little pressure, and then the same heat
13 with more pressure. And then followed by a cooling
14 with pressure. With more pressure or pressure,
15 there's -- they're essentially -- and that PHI press
16 was a manual press, so it was -- as I recall, it had
17 a manual timer that they would say, okay, well,
18 press at this pressure for so many minutes, and then
19 the buzzer goes off.

20 Q. And they would change?

21 A. Press, change -- change the pressure, and
22 press it this many minutes, and --

23 Q. Could you -- and I'll call it Exhibit
24 2,665, graph the temperature pressure time cycle?

25 A. For the PHI press?

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2 Q. For the PHI press.

3 A. I'm not certain of the times or exact
4 pressures or temperatures, but in general I could
5 show -- depict that, is that --

6 MR. B. JACOBS: That's fair.

7 BY MR. J. D. JACOBS:

8 Q. Yes, the -- can do, and --

9 A. Okay.

10 Q. -- either I or Mr. Jacobs will clarify, if
11 necessary, for the record what the details are.

12 A. (Witness draws diagram.)

13 MR. J. D. JACOBS: Can you hand it to the
14 reporter, and have him mark as Exhibit 2,665,
15 please.

16 - - -

17 (Whereupon the document was marked,
18 for identification purposes, as Exhibit
19 Number Two Thousand Six Hundred
20 Sixty-Five.)

21 - - -

22 THE WITNESS: Do I keep this?

23 MR. B. JACOBS: You can maintain
24 possession of those.

25 BY MR. J. D. JACOBS:

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1 THOMPSON

2 Q. Now, Mr. Thompson, in your graph, you show
3 a low pressure applied for a period of time with a
4 high temperature.

5 A. Yes.

6 Q. What was the purpose of applying a low
7 pressure and a high temperature at the beginning of
8 the lamination cycle?

9 A. With sensitive electronics we were
10 concerned to damage the electronics with too much
11 pressure, too much force, if you will. So the
12 purpose is to heat the material, the plastic
13 material to a sufficient temperature that it becomes
14 soft or softer such that the plastic material would
15 support the modular electronics around the side,
16 instead of having all the force focused on the
17 module, in particular, we're mainly concerned about
18 the module, because the module was thicker than the
19 coil.

20 Q. The module stood higher than the coil?

21 A. The module stood higher than the coil.

22 Q. The -- and that meant, because -- did that
23 mean because the module was higher, that it would
24 take the force of the press?

25 A. That's correct. Instead, as an example,

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2 trying to develop the product during that time.

3 Q. Now, did the process or the product
4 structure -- let me rephrase the question.

5 Was the structure of the product any
6 different when you were -- started using the Bnrkle
7 press than what you've drawn on Exhibit 2,664?

8 A. The structure, as I recall, was -- was
9 basically the same.

10 Q. When you say basically, can you recall any
11 differences?

12 A. I can't recall any differences.

13 Q. Was the lamination cycle that you used on
14 the Bnrkle press the same as you have drawn in
15 Exhibit 2,665?

16 A. It was similar. So this was our starting
17 point. We used the parameters, general parameters
18 on the PHI press as a starting point for our
19 lamination experiments on the Bnrkle.

20 Q. Now, we've -- we've talked about this
21 Bnrkle press. What kind of press was the Bnrkle
22 press?

23 A. The Bnrkle press was a -- what they call a
24 twin stack press. So it had a separate hot press
25 and a separate cold press. And it was also -- had,

EXHIBIT 53

1 *****CONFIDENTIAL DEPOSITION*****
2 IN THE UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK
4 Leighton Technologies, LLC,)
5 Plaintiff-Counterclaim)
6 Defendant,) Case No.
7 -vs-) 04Civ
8 Oberthur Card Systems, S.A.,) 2496 (CM)
9 Defendant-Counterclaim)
10 Plaintiff.)

11 - - - o0o - - -

12 Continued deposition of KEITH R.
13 LEIGHTON, a witness herein, called by the
14 Defendant- Counterclaim Plaintiff, as if
15 upon cross-examination under the statute,
16 and taken before Luanne Stone, a Notary
17 Public within and for the State of Ohio,
18 pursuant to the issuance of notice and
19 subpoena, and pursuant to the further
20 stipulations of counsel herein contained, on
21 Monday, the 10th day of October, 2005 at
22 9:00 o'clock A.M., at the Renaissance Hotel,
23 the City of Cleveland, the County of
24 Cuyahoga and the State of Ohio.

25 *****CONFIDENTIAL DEPOSITION*****

1 A Before they developed their contact/
2 contactless smart card.

3 Q That's not the question. Did you
4 develop your invention prior to going to
5 Motorola in 1990 -- in the first half of
6 1995?

7 A No.

8 Q You developed your invention after
9 leaving Motorola in 1995, correct?

10 A That's correct.

11 Q So, what is different in your invention
12 than what -- what you saw at Motorola?

13 MR. GUTKIN: Vague and ambiguous.
14 Lacks foundation.

15 THE WITNESS: Do you want me to answer
16 that?

17 MR. GUTKIN: Yeah, yeah. Unless I
18 instruct you not to answer, he's entitled to
19 an answer.

20 THE WITNESS: Okay. My invention
21 could not have been practiced at Motorola.

22 BY MR. JACOBS:

23 Q I'm asking you why.

24 A Because they did not have control of
25 their ram to give zero pressures on the

1 surface of the plastic before heating it.
2 They had a -- I believe a four-window,
3 daylight window laminator that you cannot
4 control the platens individually. The
5 bottom platen, if you put electronics in,
6 would pick up about 450 pounds on that
7 delicate chip, and each time the ram would
8 come up, it would pick up an additional 450
9 pounds, and you do that four times, you've
10 got a lot of weight on that chip. You
11 couldn't do my process on there without
12 having a counterbalance platen that weighed
13 absolutely nothing.

14 Q So, you view your invention using a
15 counter -- for your invention, do you -- do
16 you -- is it -- let me strike that. Sorry.

17 Does your invention require the use of
18 a counterbalance platen?

19 MR. GUTKIN: Calls for a legal
20 conclusion. You can answer.

21 THE WITNESS: By using the top platen
22 of the laminator and controlling the ram to
23 where I can raise it to -- raise the
24 temperature in the laminator without making
25 contact to the top of the platen, I can heat

1 the plastic and liquefy the plastic before
2 applying ram pressure to encapsulate the
3 electronics.

4 BY MR. JACOBS:

5 Q Is there anything else in your invention
6 that you did differently than what you saw
7 at Motorola?

8 A All of it.

9 Q Well, tell me what else.

10 A Motorola didn't have a printing press
11 when I worked there.

12 THE VIDEOGRAPHER: Two minutes of tape.

13 THE WITNESS: I -- in my invention, I
14 had -- on my first patent, I facilitated or
15 printed on a -- the core that I made in the
16 first lamination process.

17 MR. JACOBS: Why don't we change the
18 tape.

19 THE VIDEOGRAPHER: Off the record.

20 (At this time a short recess was had.)

21 THE VIDEOGRAPHER: Back on the record.

22 BY MR. JACOBS:

23 Q Before we went off the record,
24 Mr. Leighton, we were discussing what you
25 considered to be the differences between

1 your invention and that which you saw at
2 Motorola, and what I'm talking about what
3 you saw at Motorola, I'm also talking about
4 what the things you contributed to Motorola,
5 and you so far, I think, mentioned the fact
6 of a counterbalance platen and printing.

7 A Yes, Motorola didn't have those
8 capabilities.

9 Q Right. What else did you consider
10 different that you saw at Motorola than what
11 you considered to be in your invention?

12 MR. GUTKIN: By "your invention,"
13 we're still talking about Exhibit 101,
14 correct?

15 MR. JACOBS: Well, actually, I was
16 talking about all his inventions, but --

17 MR. GUTKIN: Well, then I'm going to
18 object. Vague and ambiguous, compound.

19 MR. JACOBS: That's okay.

20 BY MR. JACOBS:

21 Q You can answer.

22 A What I did that's different than
23 Motorola?

24 Q Yeah.

25 A Well, step one, I had zero pressure

1 tolerance on the surface of my sheets.

2 Q Uh-huh.

3 A That wasn't done at Motorola. I can
4 illustrate that Motorola had a wide radio
5 antenna which absorbed the pressure, and you
6 could go ahead and close the laminator and
7 heat it up. What I did was entirely
8 different. I did not give pressures to the
9 surface of my substrate before liquefying
10 it. At Motorola, they did.

11 Q So, in other words, you did not apply
12 any pressure to your substrate until after
13 you raised the heating temperature; is that
14 correct?

15 A That's correct.

16 Q Anything else?

17 A At Motorola, they did not print on the
18 first lamination core sheets, or a prelam as
19 we call it in the industry. I did. By
20 printing on that prelam, you eliminate
21 thicknesses of plastic core stock.

22 Q Anything else?

23 A The difference was in the chip that we
24 had. The design of the inlay and chip is
25 much different than what Motorola had.

1 Q Anything else?

2 A It would be much easier. No, I would
3 say that would cover it.

4 Q Are the pressures and temperatures you
5 use in your invention different than that
6 that were used at Motorola?

7 MR. GUTKIN: Vague and ambiguous.
8 Lacks foundation, compound.

9 THE WITNESS: I don't recall all the
10 temperatures that I used at Motorola,
11 because I was in there using many different
12 temperatures at Motorola. When I left, I
13 don't know what they did.

14 BY MR. JACOBS:

15 Q I'm not asking what they did while --
16 after you left. I'm asking solely while you
17 were there. You can't testify to what you
18 don't know.

19 A Yeah.

20 Q Well, Motorola did use a heating phase
21 and followed by a cooling phase, correct?

22 A Right, that's correct.

23 Q Did -- at Motorola, the pressures during
24 the cooling phase were greater than the
25 pressures during the heating phase?

1 A I don't know about the surface pressure.
2 Their ram pressure might have been greater,
3 but what the surface pressure of the plastic
4 core sheet, I'm not certain what that was.

5 Q Did you ever know what the surface
6 pressure at the core sheet was at Motorola?

7 A No, I don't think I ever got that broken
8 down mathematically.

9 Q And you don't have any documents that
10 would refresh your recollection --

11 A No.

12 Q -- as to that?

13 A No. Everything I did at Motorola stayed
14 at Motorola as far as information is
15 concerned. The documentation that I made
16 was in a scrapbook log that was kept at
17 Motorola.

18 Q Do you know where that log is today?

19 A No, I don't.

20 Q Did you make entries in that log?

21 A Only what I was doing there. Yes, I
22 made entries in that log, but those entries
23 that I made in the log would only be good
24 for that type of laminator. It would not
25 work on any other laminator.

EXHIBIT 54

1 *****CONFIDENTIAL DEPOSITION*****
2 IN THE UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK
4 Leighton Technologies, LLC,)
5 Plaintiff-Counterclaim)
6 Defendant,) Case No.
7 -vs-) 04Civ
8 Oberthur Card Systems, S.A.,) 2496 (CM)
9 Defendant-Counterclaim)
10 Plaintiff.)

11 - - - o0o - - -

12 Continued deposition of KEITH R.
13 LEIGHTON, a witness herein, called by the
14 Defendant- Counterclaim Plaintiff, as if
15 upon cross-examination under the statute,
16 and taken before Luanne Stone, a Notary
17 Public within and for the State of Ohio,
18 pursuant to the issuance of notice and
19 subpoena, and pursuant to the further
20 stipulations of counsel herein contained, on
21 Monday, the 10th day of October, 2005 at
22 9:00 o'clock A.M., at the Renaissance Hotel,
23 the City of Cleveland, the County of
24 Cuyahoga and the State of Ohio.

25 *****CONFIDENTIAL DEPOSITION*****

1 percent, sir?

2 A: They had a poor laminator. They were
3 going into all their daylight openings in
4 the laminator which were not -- each one of
5 them were different. The pressures of the
6 platens were different because they were
7 warped. One end of the plastic sheet would
8 come out as much as 5/1000 difference than
9 the opposite end in 24 cards. You cannot go
10 into production with that kind of quality.

11 Q: Okay. Any other reasons that your
12 yield was only 50 percent?

13 A: I did not have enough electronics to
14 produce to find an accurate yield that I
15 would have. They didn't provide me with
16 electronics.

17 Q: Okay. Any other reasons,
18 Mr. Leighton, why your yield was only 50
19 percent?

20 A: It's just equipment failures.

21 Q: If you had a better press and
22 sufficient electronics, would the process
23 you developed during the period while you
24 were at Motorola produce acceptable
25 commercial yield?

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1 A: Yes.

2 Q: Why -- on what facts do you reach
3 that conclusion?

4 A: If I had a contactless laminator
5 where I had zero pressures of the platens, I
6 could produce a card as that reads in my
7 patent. The bottom platen here, before even
8 going into a heating cycle when the sheets
9 are rigid and hard, are already receiving
10 close to 2000 pounds pressure of the
11 weight -- dead weight of the platens before
12 it's even into operation. That's not
13 acceptable in contactless smart cards.

14 Q: While you were at Motorola, you were
15 never able to test whether, in fact, a
16 process that used zero pressure at the
17 beginning would produce an acceptable --
18 acceptable yield; is that correct?

19 A: That's correct.

20 Q: Did there ever come a time when you
21 were able to test to see if your process
22 which started with a zero pressure would
23 produce an acceptable yield?

24 A: Not at Motorola.

25 Q: Did there come a time anyplace where

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